



**Senate Veterans & Emergency Management Committee
February 22, 2022**

**Testimony in Support of HB 4067 by Jim Middaugh, Executive Director of the
Urban Flood Safety & Water Quality District**

Informational Hearing (by invite)

- Chair Manning, members of the committee, thank you for the opportunity to testify today.
- Thanks also for hearing HB 4067 during the short session. I know you have a lot on your plate, and we appreciate your attention to this important bill.
- My name is Jim Middaugh. I am the Executive Director of the Multnomah County Drainage District – one of four agencies responsible for operating and maintaining the 27-mile levee and conveyance system that runs along the Columbia River in greater Portland.
- I also have the privilege of serving as the director of the new Urban Flood Safety and Water Quality District the legislature created in 2019.
- By authorizing the new district, the legislature created an amazing opportunity. A once in a lifetime chance to consolidate agencies and make the public sector work better in the process.
- We are transforming and streamlining the governance of critical flood safety infrastructure to make it more representative and resilient, and more equitable and efficient.
- We are consolidating four historic special districts that were formed more than a century ago into a single, new, modern agency that will better serve the people and improve everyone's safety.
- And, by doing so, we will become even more competitive in seeking and winning significant federal investment in our flood safety system.
- With your help, we are poised to receive nearly two-thirds of our capital needs -- nearly 100 million dollars -- from our federal partners.

- During the informational hearing I'd like to provide a little background about the Portland Metro Levee System. During the public hearing, I'll provide some details on HB 4067.
- Our system was originally built in 1917 to reclaim land for agriculture. Today, we protect a critical part of greater Portland from the Columbia River, which is the fourth largest in the nation when it comes to water discharge.
- As a reminder, the Columbia drains parts of Canada, Montana, Idaho, Washington, and Oregon -- an area roughly the size of Texas -- and we sit near the bottom of the basin.
- Simply put, the Portland region is the largest urban area in the Columbia River Watershed and our levees were built decades ago to protect what was then farmland that has long since transformed into a dense urban landscape of businesses, homes, and critical infrastructure.
- In addition, following hurricane Katrina, the federal government modernized standards for flood safety systems. Our system currently doesn't meet those standards.
- What that means is the entire area of Oregon along the Columbia from near the Willamette River on the west to the Sandy River on the east is at risk of losing the ability to participate in the federal flood insurance program.
- Without that program, it's exceptionally difficult and expensive to buy flood insurance, if you can get it at all.
- And if you don't have flood insurance, it's a challenge -- or impossible -- to get a bank loan or a building permit.
- So, we need to act. We need to streamline our governance system from five boards to one. We need to give all residents a vote on who serves on our board.
- We need to invest in our levees and pumps to ensure we are certified by the U.S. Army Corps of Engineers and accredited by the Federal Emergency Management Agency.

- Fortunately, following a series of major hurricanes, Congress passed a storm-related supplemental appropriations bill during 2018. The Portland Metro Levee System was among 39 projects that received federal help to create plans to help prevent future disasters.
- Because we'd done a significant amount of work locally before the Corps study was authorized, a recommended plan was completed ahead of schedule and under budget.
- The plan provides a roadmap for needed investments and federal partnership to protect underserved communities and improve resilience in the face of increased river flows and extreme rain events happening across the globe.
- The project is important because there is an at-risk community of 42,000 people behind our levees, and the protected flood plain sustains more than 59,000 jobs and \$16 billion in annual economic activity.
- Many of these jobs are in manufacturing and other industries that provide on-the-job training, living wages, benefits, and a chance for advancement for people without college degrees.
- The levees also protect two airports, including Portland International, three interstate highways, multiple transit and rail lines, regional electricity transmission facilities, back up drinking water wells, a new US Postal Service processing center, and a US Air National Guard base.
- One of the most complex and important actions in our plan is building a new levee behind an old railroad embankment that is currently used as a key part of our system.
- This is the same site that breached in May 1948, leading to the destruction of the city of Vanport and the displacement of more than 18,000 people.
- Local and federal experts have documented the ongoing risk of increasingly frequent rain-on-snow events and unprecedented rainfall events and the severe impacts they will create without more investment in our system.
- And the risk of flooding is real. In addition to the Vanport Flood, since 1894, four 100-year and two 500-year flood events have occurred. The area has been beset

by continued threats of flooding including those in 1964 and 1996 that saw widespread devastation throughout Oregon.

- Fortunately, our plan will improve life safety behind the levees by 70 percent and significantly reduce the chance of flooding for decades.
- The livelihoods of people throughout the Northwest rely on the levee system's continued protection.
- But to implement that plan we need to get the Urban Flood Safety and Water Quality District up and running so we can ask voters to provide the local match we need to unlock federal support. The current districts do not have the authority or the financial capacity to get the work done and the momentum around investing in critical infrastructure in Congress could wane at any time.
- The legislature did a great thing in 2019 when it created the Urban Flood Safety and Water Quality District to take on this challenge.
- In working to implement the new law, we've identified five administrative changes that will help maintain our momentum and improve our ability to win a significant federal investment in Oregon.
- I will provide details about the proposed administrative changes during the public hearing.
- Thank you for your time and consideration. I am happy to take questions.

Public Hearing

- Chair Manning, members of the Committee, thank you very much for the opportunity to testify today.
- My name is Jim Middaugh. I am the executive director of the four special districts that serve as the non-federal sponsor of the 27-mile, federally authorized Portland Metro Levee System.
- I also am honored to serve as the executive director of the Urban Flood Safety and Water Quality District created by the legislature in 2019.

- While there are four districts responsible for Portland-area levees, we operate as a single system with a unified staff.
- As you know, we currently are consolidating the four legacy districts into the new Urban Flood Safety and Water Quality District to ensure we efficiently and effectively provide the service and representation our community expects.
- After working on standing up the new district since passage of the original authorizing legislation, we've learned a few important things.
- Most importantly, we've learned that we need some small adjustments to the initial authorizing legislation to allow us to move efficiently towards the important public outcomes I just described and to maintain and improve our ability to win federal investment in our system.
- Creating a new agency is a little complicated so it should come as no surprise that we need to do a little housekeeping.
- HB 4067 does five small but important things:
 1. It clarifies the original legislation's intent to provide the initial appointed board, and the eventual elected board, the same authorities.
 2. It clarifies that except for the tools specifically not authorized in the original statute, the new district may use all other financial tools available to local governments under the law.
 3. It provides the new district a one-time opportunity to elect its initial board during any election instead of the typical requirement that special district board members be voted on during the May elections of odd numbered years.
 4. It clarifies that the new district's board may call for dissolution of the legacy districts once there is enough revenue coming in to cover the legacy districts' current duties, assets, and liabilities, and...
 5. It fixes an oversight in the original legislation to ensure the new district has the same authority to gain access to all parts of the flood safety system that the historic districts have.

- I think we all agree on the need to update our century-old flood safety governance and financing structures to provide consistent, effective, and efficient flood safety services and to protect a critical part of Oregon we all rely on for our goods, travel, and our state's economic health.
- And the risk of flooding is real. In addition to the Vanport Flood, since 1894, four 100-year and two 500-year flood events have occurred. The area has been beset by continued threats of flooding including those in 1964 and 1996 that saw widespread devastation throughout Oregon.
- As a reminder, our system protects 42,000 people, sustains more than 59,000 jobs, and creates \$16 billion in annual economic activity.
- We protect two airports, including Portland International, three interstate highways, multiple transit and rail lines, regional electricity transmission facilities, back up drinking water wells, a new US Postal Service processing center, and a US Air National Guard base.
- And we are working hard to build a new levee behind the existing railroad embankment that currently serves as a key part of our system.
- It is the same site that breached in May 1948, leading to the destruction of the city of Vanport and the displacement of more than 18,000 people.
- The legislature's adoption of SB 431 in 2019 was foundational to putting a more modern, equitable, resilient, and sustainable flood safety system in place.
- Now we're asking you to continue that leadership by making these small but important changes to the statute so we can complete this critical transition, win a significant federal investment in our state, and improve life safety behind our levees by 70 percent.
- The small, clarifying changes we are seeking are an essential step in implementing our plan.
- Thank you for the opportunity to testify. I'm happy to answer your questions.